IN THE UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF OHIO
EASTERN DIVISION
CIVIL DIVISION

Sanhua International, Inc. **8400 Industrial Parkway** **Plain City, Ohio 43064**	:	
and	:	
Zhejiang Sanhua Co., Ltd. **c/o Hrabcak & Company, LPA** **67 East Wilson Bridge Road** **Suite 100** **Worthington, Ohio 43085**	:	
Plaintiffs,	:	
v.	:	**Case No.: 2:17 CV 368**
David A. Riggle, Esq. **c/o Riggle and Craven** **8430 West Bryn Mawr Avenue** **Suite 525** **Chicago, Illinois 60631-3447**	:	**Judge** **Magistrate Judge**
and	:	
David J. Craven, Esq. **c/o Sandler, Travis & Rosenberg, P.A.** **225 West Washington Street** **Suite 1640** **Chicago, Illinois 60606-3100**	:	**COMPLAINT** **JURY DEMAND ENDORSED HEREIN**
and	:	
Riggle & Craven **8430 West Bryn Mawr Avenue** **Suite 525** **Chicago, Illinois 60631-3447**	:	
and	:	
John Does 1-3 **Names and Addresses Unknown**	:	

and :

ABC Corporations 1-3 :
Names and Addresses Unknown
:
Defendants.

Now come Plaintiffs, Sanhua International, Inc. and Zhejiang Sanhua Co., Ltd. (collectively referred to as "Plaintiffs"), by and through their counsel, and hereby submit the following Complaint against Defendants, David A. Riggle, David J. Craven, their firm, Riggle & Craven, John Does 1-3 and ABC Corporations 1-3, hereafter, individually, jointly, in concert, or as their actions or responsibilities may appear, often referred to as "Defendants", for breach of contract, and professional negligence.

THE PARTIES

1. Plaintiff, Sanhua International, Inc. ("SHI"), was and is a corporation formed under the laws of the State of Ohio and doing business in Plain City, County of Union, State of Ohio.

2. Plaintiff, Zhejiang Sanhua Company, Ltd. ("ZSC"), is a foreign limited liability company formed in the Country of China.

3. SHI is a wholly owned subsidiary of ZSC.

4. Defendant, David A. Riggle ("Riggle"), is an attorney practicing law in the State of Illinois, who held himself out as an experienced, effective and zealous advocate, as well as, an expert in the areas of CUSTOMS AND INTERNATIONAL TRADE PRACTICE.

5. Defendant, David J. Craven ("Craven"), is a duly licensed attorney in the State of Illinois, who held himself out as an experienced, effective and zealous advocate, as well as, an expert in the areas of CUSTOMS AND INTERNATIONAL TRADE PRACTICE.

6. Defendant, Riggle & Craven ("Riggle & Craven") was a legal professional

association organized under the laws of the State of Illinois, which employed attorneys, including Defendants Riggle and Craven, engaged in the practice of federal and state law in the State of Illinois, as well as, other states in the United States, as set forth above.

7. Defendants John Does One (1) through Three (3) are individuals whose names and addresses could not be discovered, who have agreed, otherwise undertaken, or are otherwise legally obligated, to insure or otherwise indemnify for the injuries, damages, losses and expenses suffered by the Plaintiffs as heretofore alleged and described.

8. Defendants ABC Corporations One (1) through Three (3) are partnerships, corporations or other entities whose names and addresses could not be discovered, who have agreed, otherwise undertaken, or are otherwise legally obligated, to insure or otherwise indemnify for the injuries, damages, losses and expenses suffered by the Plaintiffs as heretofore alleged and described.

9. Upon information and belief, Defendants John Does One (1) through Three (3) were and are individuals who reside in the State of Michigan. John Does One (1) through Three (3) have been named as a party; however, the name and addresses of whom could not be discovered, but who are or may be responsible for all or a portion of the damages sustained by the Plaintiffs. Plaintiff are unaware of the true identity of John Does One (1) through Three (5); however, Plaintiffs will supplement once discovered pursuant to the Federal Rules of Civil Procedure.

10. Upon information and belief, Defendants ABC Corporations One (1) through Three (3) were and partnerships, corporations, insurance companies and/or other business entities organized and existing under the laws of the State of Michigan, or some other jurisdiction who performed business in the County of Franklin and State of Ohio. ABC Corporations One (1) through Three (3) have been named as a party; however, the name and addresses of whom could not be discovered, but who are or may be responsible for all or a portion of the damages sustained by the Plaintiffs.

Plaintiffs are unaware of the true identity of ABC Corporations One (1) through Three (3); however, Plaintiffs will supplement once discovered pursuant to the Federal Rules of Civil Procedure.

JURISDICTION AND VENUE

11. Jurisdiction of this action is based on 28 U.S.C. §1331 because the parties have diverse citizenship, and the amount in controversy exceeds $75,000.00, exclusive of interest and costs; and Venue is proper in this district based upon 28 U.S.C. §1391(a)(1) and (2).

FACTUAL BACKGROUND

12. The services performed giving rise to this Complaint occurred in the State of Ohio.

13. Defendants were engaged to represent Plaintiffs in matters involving CUSTOMS AND INTERNATIONAL TRADE PRACTICE.

14. Specifically, Defendants were retained to represent Plaintiffs in U.S. Department of Commerce, International Trade Administration antidumping proceedings referred to as *Frontseating Service Valves from the People's Republic of China*, Case No. A-570-933. Defendants' representation of the Plaintiffs included five (5) administrative reviews in the aforementioned case. In each of the administrative reviews in which Defendants represented Plaintiffs, the request for review was limited to products produced by ZSC for sale in the United States. The requests did not include any other ZSC subsidiaries or affiliates or any other exporters.

15. As a result of the administrative reviews, Case No. A-570-933-002 was assigned to ZSC for its applicable antidumping duty rate on frontseating valves imported ("entered") into the United States. During the years the antidumping order in the case was in effect, SHI made estimated antidumping duty deposits at the time of entry and received refunds of the duties according to various rates determined in the Department of Commerce proceedings.

16. On or about October 22, 2015, SHI received a U.S. Customs and Border Protection

("CBP") Notice of Action, dated October 15, 2015, from SHI's logistics provider. The Notice of Action listed 18 entries. All of the entries were to be reliquidated at a higher "all others" antidumping duty rate, instead of the lower rate assigned to ZHC under Case No. A-570-933-002.

17. On or about November 2, 2015, SHI received another Notice of Action, dated October 28, 2015, listing 71 entries to be reliquidated at the higher "all others" rate.

18. After receiving the Notices of Action, Plaintiffs notified Defendants and requested their legal assistance. Defendants agreed to be Plaintiffs' legal representatives and to represent their interests.

19. Based upon communications with Defendant Riggle, Plaintiffs understood that Protests could be filed with CBP regarding the entries, once notice of liquidation/reliquidation was received.

20. On or about December 21, 2015, by regular U.S. mail, SHI received bills from CBP, all dated December 11, 2015. A second set of bills, each dated December 18, 2015, was received by regular mail at SHI, on or about December 28, 2015. Copies of each of these documents were forwarded to Defendant Riggle for further handling and filing of Protests. These notices, as well as copies of all entries and supporting documents were provided to Defendant Riggle, no later than January 23, 2016.

21. Pursuant to CBP regulations, Plaintiffs had one hundred eighty (180) days from the date of bill issuance to protest the liquidation of the entries.

22. On or about June 2, 2016, Plaintiffs were informed by Defendant Riggle that he would be submitting the first Protest the following day and that the remainder of the Protests would follow promptly.

23. On or about June 20, 2016, Plaintiffs received an email from Defendant Craven informing the Plaintiffs that the law firm of Riggle & Craven had been dissolved and that he had gone to practice with another law firm.

24. On or about June 23, 2016, Plaintiff spoke with Defendant Riggle, by phone, and he confirmed all Protests have been timely filed and he would send copies evidencing the same. Plaintiffs never received copies of the allegedly filed Protests.

25. Plaintiffs emailed Defendant Riggle multiple times to request copies, but received no response.

26. After repeated efforts to obtain copies of the Protests from the named Defendants, without any response, Plaintiffs learned from CBP that the Protests were time-stamped on June 17, 2016, but were considered to be late by nine (9) days.

27. The aforementioned Protests were denied on June 28 2016 by CBP due to being filed untimely.

28. Thereafter SHI received copies of the denied Protests, each signed by Riggle & Craven, dated June 6, 2016, but not time-stamped until June 17, 2016, a date beyond the one hundred eighty (180) days in which Plaintiffs had to file the Protests timely.

29. Despite repeated requests by Plaintiffs, none of the named Defendants have provided Plaintiffs, or to those acting on behalf of Plaintiffs, access to the files and records that are understood to be in storage of the dissolved law firm, Riggle & Craven.

30. In that the Protests were denied due to being untimely filed, the liquidations assessed against the Plaintiffs became legally finalized and payment on the bills became due.

31. The amount due and owing to CBP by the Plaintiffs is in excess of Five Million Dollars ($5,000,000.00).

32. In addition, because the Protests were denied, Plaintiffs were placed on the Customs National Sanction list which requires estimated duties to be remitted at time of entry, via electronic transfer, revoked Plaintiffs of its immediate delivery privileges, and future imports can be subjected to additional exams.

First Cause of Action: Breach of Contract

33. Plaintiffs hereby restate each and every allegation contained in the preceding paragraphs of this Complaint, with the same force and effect, as if fully rewritten herein.

34. Defendant Riggle, Defendant Craven and Defendant Riggle & Craven were engaged to represent Plaintiffs in connection with certain Customs and International Trade and related matters ("Trade Matter(s)").

35. Defendants failed to properly and adequately represent the Plaintiffs in the Trade Matter(s) by, including but not limited to, failing to timely file the Protests with CBP in order to protest the liquidation of the entries, failing to competently represent the Plaintiffs, and failing to protect the Plaintiffs from an excess antidumping duty amount, among other things.

36. Defendants' actions materially and substantially breached their contract with Plaintiffs by failing to perform the contract for legal services in a reasonably competent manner.

37. As a direct and proximate result of the negligently and deficiently performed legal services by the Defendants, Plaintiffs have suffered damages in an amount in excess of Seventy-Five Thousand Dollars ($75,000.00) or in an amount to be determined at the trial of this matter, and have and continue to incur reasonable attorney fees and costs, in the prosecution of this matter.

Second Cause of Action: Professional Negligence

38. Plaintiffs hereby restate each and every allegation contained the preceding paragraphs

of this Complaint, with the same force and effect, as if fully rewritten herein.

39. During the course of their representation of the Plaintiffs, Defendants engaged in negligent actions which constitute professional negligence in that Defendants (a) failed to perform and render legal services to the Plaintiffs with the same degree of care and skill as a reasonably competent customs and international trade attorney would have rendered in the same or similar circumstances; (b) failed to perform and/or failed to perform as diligently as the circumstances required, certain services which a reasonably competent customs and international trade attorney would have performed in the same or similar circumstances; and (c) failed to diligently perform services which the named Defendants knew or should have known were necessary to adequately represent the named Plaintiffs in the Trade Matter(s).

40. The actions and misconduct of the Defendants are actionable as professional negligence under circumstances in which the Defendants acted in bad faith.

41. If the Defendants had (a) rendered the legal services to the Plaintiffs with the same degree of care and skill as a reasonably competent customs and international trade attorneys would have rendered in the same or similar circumstances; (b) rendered the legal services as diligently as the circumstances required, that is, legal services which a reasonably competent customs and international trade attorney would have performed in the same or similar circumstances; and (c) performed the legal services with diligence which the named Defendants knew or should have known were necessary to adequately represent the named Plaintiffs in the Trade Matter(s), the Plaintiffs would have obtained a better result.

42. As a direct and proximate result of the negligence of the Defendants, Plaintiffs have suffered damages in an amount in excess of Seventy-Five Thousand Dollars ($75,000.00) or in an amount to be determined at the trial of this matter.

43. As a direct and proximate result of the willful, wanton misconduct of the Defendants, Plaintiffs are entitled to an award of punitive damages from the Defendants in an amount to be determined at the trial of this matter.

Third Cause of Action: Unjust Enrichment

44. Plaintiffs hereby restate each and every allegation contained the preceding paragraphs of this Complaint, with the same force and effect, as if fully rewritten herein.

45. Based on the aforementioned actions of the Defendants have been unjustly enriched to the detriment of Plaintiffs.

46. As a direct and proximate result of the unjust enrichment of the Defendants, Plaintiffs have suffered damages in an amount in excess of Seventy-Five Thousand Dollars ($75,000.00) or in an amount to be determined at the trial of this matter, and have and continue to incur reasonable attorney fees and costs, in the prosecution of this matter.

Fourth Cause of Action: Quantum Meruit

47. Plaintiffs hereby restate each and every allegation contained the preceding paragraphs of this Complaint, with the same force and effect, as if fully rewritten herein.

48. As a direct and proximate result of the unjust enrichment of Defendants' aforementioned conduct, Plaintiffs are entitled to recover pursuant to the legal doctrine of quantum meruit in an amount in excess of Seventy-Five Thousand Dollars ($75,000.00) or in an amount to be determined at the trial of this matter, and have and continue to incur reasonable attorney fees and costs, in the prosecution of this matter.

Fifth Cause of Action: Bad Faith

49. Plaintiffs hereby restate each and every allegation contained the preceding

paragraphs of this Complaint, with the same force and effect, as if fully rewritten herein.

50. The Defendants' conduct, as outlined above, constitutes willful, wanton and/or bad faith.

51. As a direct result of the actions of the Defendants' bad faith, Plaintiffs have suffered damages in an amount in excess of Seventy-Five Thousand Dollars ($75,000.00) or in an amount to be determined at the trial of this matter, and have and continue to incur reasonable attorney fees and costs, in the prosecution of this matter.

WHEREFORE, Plaintiffs, Sanhua International, Inc. and Zhejiang Sanhua Co., Ltd., demand judgment against Defendants, David A. Riggle, David J. Craven, and Riggle & Craven, jointly and severally, for compensatory damages in the excess of Seventy-Five Thousand Dollars and 00/100 ($75,000.00), including but not limited to, contractual damages, economic loss, attorney fees, costs, prejudgment interest, and punitive damages in excess of Seventy-Five Thousand Dollars and 00/100 ($75,000.00), as to be determined by the trier of fact, plus interest, the costs of this action, attorney fees and all other and further relief to which Plaintiffs may be entitled as determined by this Court, either at law or in equity.

Respectfully Submitted,

/s/ Michael Hrabcak

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JURY DEMAND

Plaintiffs, Sanhua International, Inc. and Zhejiang Sanhua Company, Ltd., demand a trial by a jury as to all claims and issues contained herein.

/s/ Michael Hrabcak
Michael Hrabcak (0055716)